PROCEEDINGS
of
THE TRAVANCORE SRI MULAM ASSEMBLY.

THIRD ASSEMBLY.

THIRD SESSION—1945/1120.

(OFFICIAL REPORT)

Thursday, the 26th July 1945/11th Karkatakam 1120.

The Assemby re-assembled at 12 of the clock in the Legislative Chamber, Public Offices with the Dewan-President in the Chair.

NEW MEMBERS.

1. Mr. C. Kumara Das (*Secretary to Government*)
2. Mr. A. Narayanan Tampi (*Director of Public Instruction*)
3. Mr. S. Parthasarathy Aiyangar (*Inspector General of Police*)
4. Mr. N. Ramakrishna Pillai (*Legal Remembrancer to Government*)

QUESTIONS AND ANSWERS.

Silk industry.

82 *MR. K. A. MATHEW (*Tiruvalla*): Will the Government be pleased to state:

(*a*) whether an artificial silk factory is being started in Travancore;

(*b*) who are the members of the Directorate;

(*c*) who are the managing agents;

(*d*) what is the relationship of the Government to it;

(*e*) whether they would lay on the table a copy of the agreement between the company and the Government; and

(*f*) what are the concessions the Government is proposing to give to that concern?

MR. C. KUMARA DAS (*Secretary to Government*): (*a*) to (*f*) The matter of starting the factory and the details are still under discussion. It will, if and when started, be a private concern in which Government may take some shares.

MR. K. A. MATHEW: May I know from the Secretary to Government whether any body has approached Government for permission to open a Silk Factory?

MR. C. KUMARA DAS: Yes, Sir. Some people have approached and the matter is under discussion.

MR. K. A. MATHEW: May I know who are the people?

MR. C. KUMARA DAS: The Hon'ble M. C. T. M. Chidambaia Chettiar & Sir Doak.

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MR. K. A. MATHEW: May I know whether any agreements have been entered into between Government and any of these?

MR. C. KUMARA DAS: No, Sir. It is all in the stage of discussions.

MR. K. T. MICHAEL (*Changanacherry* cum *Peermade*): May I know the site proposed for the factory?

MR. C. KUMARA DAS: It has not been decided yet.

MR. VARKALA K. MADHAVAN (*Neyyattinkara* cum *Trivandrum*): May I know whether it is not possible to start the silk factory in the existing textile factory in the Central Prison?

PRESIDENT: Artificial silk is quite different from ordinary textiles. The silk is to be used for shirting, coating etc.

MR. K. A. MATHEW: May I know from the member whether, when the Sri Chitra Mills were started it was not expected that it would be instrumental to starting a factory for the production of rayon?

MR. C. KUMARA DAS: Not for the manufacture of artificial silk.

PRESIDENT: So that there might be no misconception in the matter, I may state this. Before the war, artificial silk was in large production in Japan—in fact Japan was the biggest producer of artificial silk in the world. Next to it was Germany, then Italy and the United States. In view of the present conditions and of the livelihood of Japan and Italy not being big competitors to the Indian market—at one time they used to monopolise the Indian market—this is considered the right time to start the factory. Enquiries and researches that have been made go to show that Travancore has all the necessary facilities for starting that factory; its softwood resources are quite sufficient for the purpose. What they want in addition to softwood is a certain number of chemicals which the Fertilisers and Chemicals are expected to produce. In fact this Government could not have contemplated the starting of the silk factory but for the chemicals likely to be produced by the Fertilisers company.

Now this is a purely commercial concern liable either to loss or profit because of world competition and therefore it was decided by Government that Government would not start the venture by themselves. The venture requires a minimum of two crores of rupees and probably a maximum of four crores. For that reason also, Government did not think it fit to start it themselves. The Government of India have sanctioned a capital issue throughout British India. I may state here for information that all persons in Travancore applying for shares will get the shares It is undoubtedly a commercial venture and like all commercial ventures is liable to loss or profit but it is certainly likely to be as profitable as the rubber and tea ventures in which certain persons in the State are interesting themselves.

Government have taken only a token amount of shares in the concern, because it is not considered a vital industry for the Government to take 51 per cent. of the shares, as they do in concerns which are considered important from the point of view of basic industries.

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